



The Solemnity of St. Joseph, 2020

*"Plans fail when there is no counsel, but they succeed when counselors are many."
(Proverbs 15:22)*

My Dear Brother Pastors, Principals, Agency Heads,

I am praying with you in this Lenten season that calls forth in a most clear way our faith in the Lord, our hope in his promises and the love he has witnessed unto death.

This health crisis and resulting consequences cause us to consider the economic situations of our parishes, schools and agencies. There are some areas that call forth our immediate attention.

Therefore, it is imperative that you initiate a short-term modified spending plan through June 30, 2020. It is critical that you prioritize the **immediate** needs of the parish/school/agency to cover required commitments and obligations and address all required adjustments with immediate action. It is important to recognize that changes are required during these difficult times to insure continuation of operations.

Therefore, I ask that you implement the following:

Meet with your Principal/Business Manager/Bookkeeper to obtain the following for your own consideration and decision making regarding your ministry:

1. Statement of Financial Position (Balance Sheet) as of February 2020:

Assets

- a. Understand clearly the parish and/or school cash position.
- b. Review and understand all **unrestricted** cash reserves. These are funds **not** restricted by donors for a specific purpose (building project, required second collections, etc.) Unrestricted cash includes the operating accounts, savings accounts, investment accounts, and certificates of deposit.
- c. Ensure that all bank accounts are complete and reconciled.
- d. Develop a conservative cash flow analysis. Include all unrestricted monies and all current, required obligations.

Liabilities

- a. Understand clearly any loans that are currently on the books – principal **and** interest.
- b. Understand all contracts and ongoing financial obligations – (consider adjustments or postponement on contracts, where possible)
- c. It is essential that bills be paid.

2. Statement of Activities (Income Statement) February 2020 YTD Actual vs Budget

Revenue

- a. Review each line and forecast a conservative total by line through June 30, 2020.
- b. Identify potential changes that can be realized.

Expense

- a. Review each line and forecast a conservative total by line through June 30, 2020.
- b. Identify essential and non-essential expenses. Prioritize and consider adjustments, where possible.
- c. Identify potential changes that can be realized.

3. Organizational Chart

- a. Look at **every** position in the organization and evaluate in terms of essential and non-essential.
- b. Understand clearly the costs of payroll and benefits for **each** employee (this information is confidential and must **not** be made public in any way).
- c. This matter requires a very honest review of current mission, purpose and essential duties. Consider adjustments where possible.

4. Create a Business Continuity Plan

Initiate your Business Continuity Plan based on all of the facts. Rethink every aspect of the parish and/or school operations. Which essential duties can be accomplished by FTE (full time employees), PTE (part time employees), or volunteers.

5. Call a special meeting with the Finance Council to critically review the information and develop a plan. Do not share individual employee salary and benefits with the Finance Council. Address employee positions in terms of "essential and non-essential." There will be difficult decisions to make to ensure the overall continuation of the parish/school/agency and the pastor and principal are called to do so in a pastoral, compassionate manner.

- a. Ask for your council's objective advice and make the necessary adjustments.
- b. Implement the plan.

If, after proceeding through all of the steps, including adjustments to personnel within your current organizational chart, your parish/school is unable to meet immediate essential obligations and in need of short-term relief, you may submit a letter to the Archbishop asking for a short-term loan during this difficult period.

To further assist you in these processes, it is important that we implement the following regarding our employees.

6. Determine essential personnel

Essential Personnel are defined as employees who are required to report to their designated work location, to ensure the operation of essential functions or departments during an emergency or when an organization has suspended operations. Essential personnel includes exempt and non-exempt positions in the following areas:

- Senior Leadership
- Risk Management
- Information Systems
- Communications
- Facilities
- Accounting

Non-essential personnel are defined as employees whose presence at work during an emergency is not required to assist in meeting the organization's essential functions.

7. Implement hiring freeze

- Do not fill vacant positions unless approved by management
- Do not add new positions

8. Suspend temporary staff

9. No overtime (OT) without prior approval from management

10. Organizational Structure

- Review essential functions for each position/job description and assess for adjustments in duties and responsibilities for increased efficiencies and reduced overhead.

11. Review compensation/benefits for adjustments as needed.

Do not hesitate to call Ruben Hinojosa at 210-734-2620, ext. 1309 for guidance in implementing these matters. Please include our Human Resources in all discussions regarding personnel. This is a tool to assist leadership in this difficult time.

Please know we are grateful for all your service in ministry including the ministry of administration. I continue to pray and work with you for the Kingdom of God.

In Jesus,

A handwritten signature in black ink that reads "+ Michael Boulette". The signature is written in a cursive, flowing style.

The Most Reverend Michael Boulette, D. Min., V.G.
Auxiliary Bishop of San Antonio
Moderator of the Curia